

THE STUDY OF LEADERSHIP COMPETENCIES OF IRAN TEJART BANKS PRESIDENTS AND INTRODUCING A PROPER MODEL

Parisa Torki^{1*}, Dr.Farshad Hajalian², Dr.Alireza Karbasivar²

¹*Faculty of Accounting and Management, Firoozkough Branch, Islamic Azad University, Firoozkough, Iran*

²*Assistant Professor, Faculty Member of Accounting and Management, Firoozkough Branch, Islamic Azad University, Firoozkough, Iran*

** Corresponding Author*

Abstract

One of the most important aspects of obtaining competitive advantage in today's business environment is to pay attention to the human resources and focusing on competency- orientation of the human capitals. So, paying attention and recognizing the management competencies of Iran Tejart Banks presidents based on competency model is of significant importance due to the importance and sensivity of special activities and the necessity for selecting a proper approach toward selecting and developing this group of bank workers and also lack of comprehensive study resources in this field and having no fixed framework for introducing the required competencies for bank presidents. The present research is descriptive- correlational based on the nature and methodology, since it deals with the study and expressing the present time and describes what exists. In the review of literature, different definitions and models of competencies and the necessity of paying attention to it in the present time were studied from different point of views. Then in order to prepare a proper model, a questionnaire was designed and sent to 74 bank presidents at excellent, 1 and 2 degree of Tejart banks and they were asked to define the importance of the components by answering the questions.

Scoring method was based on Likert scale. So that each of five points in Likert scale takes a special value and then the results are collected and Spss software is used to do data analysis. Then, the competencies of branch presidents were divided into seven main clusters of: 1. Intellectual foundation, 2. Professional skills of the job, 3. Resource management, 4. Performance management and system evaluation, 5. Leading skills, 6. Interpersonal skills, 7. Personal views.

Keywords: competency, intellectual foundation, Resource management, Leading skills, Interpersonal skills, Personal views

Introduction

Today, the intense competition and technological changes apply increasing pressure on organizations and their different methods in increasing the efficiency of human forces. Now, it is

expected that the work force of organizations have more effect on products and services they provide. This exactly causes the importance of competency in the competitive environment. The human resource environment of Iran is also affected by these changes and its goals change along with the global changes.

Accepting and developing the fast approach of competency and using it in development programs of staff is the result of advantages and benefits hidden in this approach.

Competencies have different advantages for organizations and managers at different levels and organizations apply competencies due to different reasons such as transferring the valuable behavior and organizational culture, efficient performance for all the staff, emphasize on individual capacities (instead of their job) as the method of competitive business and improving group work behavior.

In business strategies, the concept of competency orientation is used as a competitive tool of some companies while human resources specially focus on definitions, employing, selecting and developing personal competencies.

Statement of Problem and Significance of the Study:

According to the definitions of competency, it seems that competency is like an umbrella that covers everything affecting on job performance directly or indirectly. In other words, competency is the image of a completely grown human being that is ready to perform a job considering any aspect.

In fact, competency is a type of systematic view toward the staff that includes all the features, adjectives, skills and views in relation with efficiency in performing the duties and responsibilities. So, competencies can be defined as behavioral aspects that affect the job performance.

Competency defines how people behave and how to react in special occasions.

The researches in this field have been done since 1980s and focused on studying a collection of knowledge, skill, behavioral features and personal attitudes which managers need in order to be efficient in performing their duties (Hey group, 2001, Gary, 1997, Lover, 1994, Boyatzis, 1995, Spenser, 1992).

So, the study of competency factors and using a model as competency pattern in an organization has significant value since one can help the organization in selecting competent managers.

Applying competency models facilitates the task of managers in selecting and attracting staff since these models should have competency for obtaining the position. By a brief review of literature one can find that the competencies are mostly based on selecting and improvement systems since they clearly define that which of these fields: behavior, knowledge, skill, view or motivation should be evaluated to determine that whether a candidate has the condition for the job or not. Those systems in which selecting the staff is not based on competency face the danger that the information inside them is not related to the job success and this can have improper effects in terms of not observing justice and creating challenges for organization.

Banks as category of organizations are not exception and paying attention to the competency components and applying them can be useful in improving and evaluating their performance.

Theories and Concepts related to Competency:

Definition of Competency

In Dehkhoda dictionary: it means the quality and mode of competent, merit and eligibility. It is said that someone has the merit or not. It means that it is fit with this or that.

In Oxford dictionary (2003), Competency means the power, ability and capacity for doing a task.

Boydel Vallery in finding the root of competency says that the word comes from the Latin word Competere, this word has two different parts of com meaning together and peter meaning searching and in sum means competency (search together).

Following definitions introduced by the experts can express the issue:

Gary (1997) stated that competency literary means the ability, power, skill, knowledge and eligibility.

Boyatsis (1995) mentioned that the competency generally emphasized on features of a person. These adjectives can be motivation, behavior, attitude, skill and imagination of a person form social role of a collection of freely thinking that a person does in his activities.

Spencer (1993) divides competency into two categories:

1. Competency is a necessity that defines necessary skills for minimum performance in a work or doing a task.
2. Superior competencies based of which the results with higher average performance are determined.
3. Competency is a measurable feature of a person that is related to the efficient performance of a job, organization and culture (Heygroup, 2001).

Competency Dimensions

Crampon (1998) states that : the most important emphasize of competency is on people's behavior since it is believed that competency is the collection of knowledge shown in personal skills and personal features and it is a source of behavioral models that a person uses for better performance. Number and type of competencies which emerge in behavior, speech and act of managers are mostly for improving the performance and efficiency of managerial activities and is like sensitivity in job (such as management , job or task of a collection of services, outputs and the roles formed which each need a number of personal competencies).

Different Types of Competency

Every company or organization has a number of central, technological, active and managerial competencies (Mashhoodi, 2011, p. 6-7)

Different types of competencies based on Fawler: technological, marketing and harmonizing competencies.

Required competencies according to Parlduhamel is : learning competency, competency through organizing the skill and technology, competency of understanding the needs and demands of the customers (Creating added value for organization) and Competency of deep view about the organization (Systematic and over systematic view) (Saemian, 2009).

Competency Models

A model of competency is a list of competencies that are gained by observing a satisfying or expected performance for a special job (Deragandis and Mentezas, 2006).

In other words, the competency models include the most important aspects that affect the real performance (Quchran, 2009).

The aim of determining competency models in each organization is providing a model for harmonizing the performance of human resources (Dehghanan, 2008).

This model can also be used in analysis of the skills and comparison between the available competencies in the organization and people (Dargandis and Mentzas, 2006).

Sherman and colleagues (2001) categorize the competencies needed for managers in seven titles as below: Leading skills, educational, devotion and specification of resources, staff monitoring, controlling program and reporting, professional development actions and social cooperation.

Kun Wi Cheng (2002) lists the competencies of the managers as below:

Penetration and effectiveness, social responsibility, the research ability, tendency to success, ability of decision making, interpersonal skills, innovation, self-reliance, human resource management ability (quoted by Hung Hu Wiang, 2009).

Edward (2009) summarizes the management competencies in nine titles as below:

Development and growing the staff, communication, problem solving, change management, technical skills and group teams, team making, performance management (task), interpersonal information, harmonizing the views.

Research Methodology

The present research is practical in terms of goals and descriptive survey in terms of nature. Data collection was done through interview, questionnaire and library and field studies in the industry.

Research Population and Participants:

The population of the present study includes 90 presidents of excellent, number 1 and 2 branches of Tejarat Bank. Sampling was done randomly and 74 questionnaires were distributed based on Morgan chart.

Measurements

Validity

In order to determine the validity of the questionnaires, the opinions of experts were taken into account. This indicated the acceptable validity of the test.

Reliability

In order to measure the reliability, the Cronbach Alpha was used. The results indicated that the Cronbach Alpha was 95.4 which is more than 0.65. so, the reliability of the questionnaire was acceptable.

Data Analysis

in order to analyze the data, after scoring the questionnaire based on five-point Likert scale from 1 to 5, the data was analyzed in two parts. Based on the questionnaire and their responses, Kolmogorov-Smirnov was used for measuring normality and spearman-correlation coefficient for measuring the significance of the hypotheses.

Research Model

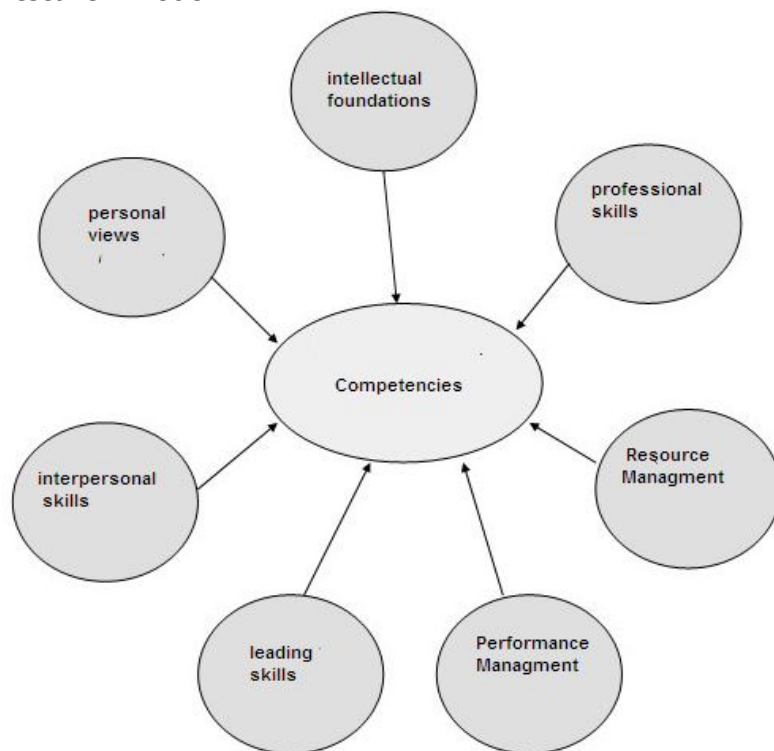


Figure 1: Research Model

Research Hypotheses:

There is a meaningful relationship between the resource management and competency of Tejart Banks Presidents

There is a meaningful relationship between the leading skill and competency of Tejart Banks Presidents

There is a meaningful relationship between the intellectual foundations and competency of Tejart Banks Presidents

There is a meaningful relationship between the interpersonal skills and competency of Tejart Banks Presidents

There is a meaningful relationship between the personal views and competency of Tejart Banks Presidents

There is a meaningful relationship between the performance management and competency of Tejart Banks Presidents

There is a meaningful relationship between the professional skills and competency of Tejart Banks Presidents

Hypotheses Analysis

The table below shows the data obtained from the SPSS software which according to the correlation coefficient and level of significance all the components of the hypotheses were confirmed.

Table 2: Analysis of Hypotheses

Refused or confirmed	Correlation Coefficient	Level of significance	components	Hypothesis
confirmed	0.511	0.000	Resource management	1
confirmed	0.244	0.037	Intellectual foundation	2
confirmed	0.598	0.000	Interpersonal skills	3
confirmed	0.657	0.000	Personal views	4
confirmed	0.471	0.000	Professional skills	5
confirmed	0.537	0.000	Leadership skills	6
confirmed	0.624	0.000	Performance management	7

Conclusion and Suggestions

Peter Drunker the father of new management in his last years of life considered competitive advantage as the most important factor in twenty first century. This is the advantage that makes the organizations able to be active in the competitive market as the best group and attract the human capabilities. The importance of management and managers as the planners and leaders of the organization is shown in the present century and effective use of the managers has a significant value in organizations.

Competency methodology is a new view for designing a cohesive system in selection, positioning and training the managers. This research was done in order to recognize the competencies of Tejart Bank Branches.

Although the work of determining the competencies was for this group of bank personnel but the result of the present research can be extended to other organizations and banks and also the organizations that deal with the human forces.

In this research, in addition to finding the components of competency in presidents of Tejart Bank branches, it was tried to find a relationship between them. Finally, the results are described and the suggested model of presidents' competencies was introduced.

Based on the results in this research are as follow:

1. Intellectual Foundations: systematic and analytic thinking, innovation and creativity, risk taking, problem solving ability, evaluating the strategies and abilities of understanding the issue.
2. Professional skills: environmental intelligence, financial and economic intelligence, correct understanding of market competition, dominance on new banking systems, ability of working with computers, legal rules, financial management analysis.

3. Resource Management: cash management, cost management, efficient use of resources, organizing, cooperation in creating incentives.
4. Performance management and system evaluation: planning, organizing, result orientation, monitoring and control, efficiency.
5. Leading skills: changing factor, being a model, creating organizational cohesion, strategic thinking, conflict management
6. Interpersonal skills: oral and verbal, non-verbal and written, effective communication, convincing, cooperation, mutual understanding, group work.
7. Personal view: professional idealism, honesty, responsibility and organizational commitment and customer orientation, servicing, self-reliance, emotional intelligence, flexibility and sensitivity to the problems.

The results of the present research showed that all the recognized competencies have important or relatively important value. In addition, the priority of competencies based on importance is as follow: interpersonal skill, performance management, resource management, leadership skills, intellectual foundations, personal views, professional skills.

This model can systematically determine the competencies of the presidents. It seems that the extracted components are reliable and valid for measuring the competency of the presidents so that applying them makes the managers able to measure the competency of the staff and improvement degrees of the components.

Suggestions

According to the results, it is suggested that:

1. Considering the importance of development of the bank presidents, the competency model can be used for development programs.
2. For measuring the abilities of the presidential candidates to decide about improving their position and also creating potential information bank, it is suggested to use the results of the present research.
3. The model of the present study can be used as an instrument for teaching and training the management competencies.

Reference

1. Alipour, M & Dargahi, H., recognizing the managerial competencies of Cultural centers of Tehran based on competency models, M.A. thesis, industrial management, 2008.
2. Alwan, S.M, & Riahi, B. (2004),The measurement of service quality in the public sector, Tehran, Iran Industrial Research Center.
3. Byham ,W(2002).Developing Dimension/Competency-Based Human Resource systems. Canada :DDI
4. Byham,W, & Moyer,R(2002).Using Competencies To Build A Successful Organization. Canada :DDI
5. Cave ,E. & McQueen ,P(1993).Managerial Effectiveness :The Identification of Need .Management Education and Development ,Vol 24 ,No 2 pp122-137
6. Clarck, D, (1999).Discussion Competencies.<http://www.nwlink.com>.

7. Davas, D., A, (2008) A survey of social research Translated by Nayebi H., ninth printing, publishing straw.
8. Fathi, N & Shabani, A, (2011). Scientific and Experimental model of training future managers, Internal Journal, 2011.
9. Ghaffarian, V., (2001) competency management, Industrial Management Institute Publications, first edition, pp. 76-74.
10. Government of Saskatchewan (1998).Executive director/director/senior manager management competency profile.<http://www.aasa.org>
11. Hafez Nia, M, (2004), research methods in the humanities, ninth printing, Samt Publication.
12. Hamidzade, M., & Hosseinzade, M., (2009), organizational core competency model to determine Organizational Competencies, 29(5).
13. Human, H, A, (2007) Statistical Inference in Behavioral Research, third edition, SAMT.
14. Khaki, G, (2008) research methods for writing the dissertation, third edition, Tehran, publication Baztab.
15. Momeni, M., Azar, A, (2006) Statistics and its Application in Management, twelfth edition, Tehran, organization of studying and writing humanistic Books for universities (SAMT)
16. Momeni, M., Qayumi A., (2011) statistical analysis with the use of SPSS, third edition, published Nashrenoo
17. Sadeghian, M & Nahavand, M. (2011). Model of competency for project management in power research. Public Management. 3(8).
18. Sekran, O, (2007). management research methods, translated by Saebi & Shirazi, Fourth Edition, Institute of Education and Research Management and Planning